

HOG PROCUREMENT AGREEMENT

THIS HOG PROCUREMENT AGREEMENT ("Agreement") is dated as of _____, 199____, between IBP, inc., ("IBP") a Delaware corporation, [REDACTED]

[REDACTED] ("Producer") [REDACTED] IBP, as of the date of this Agreement, owns and operates hog processing plants in Nebraska, Iowa and Indiana; Producer feeds hogs and/or has hogs contracted for production both in its own facilities and/or in facilities owned by others; and IBP wishes to buy such hogs and Producer wishes to sell such hogs for processing at IBP's facilities on the following terms and conditions:

Section 1. Term

The term ("Term") of this Agreement shall commence on _____ and end on _____, unless amended or terminated pursuant to the terms of this Agreement.

Section 2. Delivery and Schedule of Shipments

(a) Producer agrees to sell, and IBP agrees to purchase, Producers market hogs, as defined in attached Schedule 2, ("Market Hogs"). During the Term, Producer will deliver on an annual basis the following number of Market Hogs ("Annual Total Production"):

| <u>Annual Period</u> | <u>Market Hog #s</u> |
|----------------------|----------------------|
| 1998 | 2000 |
| 1999-2002 | 8000 |
| 2003 | 1000 |

In the event Producer expands its operation, or if the Producer is delivering all of its Market Hogs and the number of Market Hogs Producer wishes to deliver under this Agreement exceeds the Annual Total Production (as estimated) by more than 15%, Producer must notify IBP in writing of such increase in production, and IBP at its sole discretion may choose to accept the additional Market Hog production under the term of this Agreement. IBP will notify Producer of such decision in writing.

(b) If Producer's Annual Total Production to be delivered to IBP is less than 7500 Market Hogs, Producer will provide IBP on November first of each year the approximate number of hogs to be delivered on a quarterly basis for the following year (i.e. on November 1, 2001, Producer will provide the number of Market Hogs to be